FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

601 NEW JERSEY AVENUE, NW SUITE 9500 WASHINGTON, DC 20001 March 10, 2005

SECRETARY OF LABOR, : MINE SAFETY AND HEALTH :

ADMINISTRATION (MSHA) :

: Docket No. SE 2005-58-M

v. : A.C. No. 38-00310-43246

:

HANSON AGGREGATES, SE, INC.

BEFORE: Duffy, Chairman; Jordan, Suboleski, and Young, Commissioners

<u>ORDER</u>

BY THE COMMISSION:

This matter arises under the Federal Mine Safety and Health Act of 1977, 30 U.S.C. § 801 et seq. (2000) ("Mine Act"). On January 11, 2005, the Commission received from Hanson Aggregates, Southeast, Inc. ("Hanson") a letter requesting that the Commission reopen a penalty assessment that had become a final order of the Commission pursuant to section 105(a) of the Mine Act, 30 U.S.C. § 815(a).

Under section 105(a) of the Mine Act, an operator who wishes to contest a proposed penalty must notify the Secretary of Labor no later than 30 days after receiving the proposed penalty assessment. If the operator fails to notify the Secretary, the proposed penalty assessment is deemed a final order of the Commission. 30 U.S.C. § 815(a).

On November 17, 2004, the Department of Labor's Mine Safety and Health Administration ("MSHA") issued a proposed penalty assessment (A.C. No. 38-00310-43246) to Hanson's Sandy Flat Quarry for Citation No. 6113730. In its letter, Hanson states that it contested Citation No. 6113730 on September 15, 2004, and that this contest proceeding is currently before Commission Administrative Law Judge Gary Melick under Docket No. SE 2004-241-RM. Hanson states that when it received the proposed penalty assessment for Citation No. 6113730, the assessment was "accidentally filed" rather than being sent to the company's safety manager for action. The Secretary states that she does not oppose Hanson's request for relief.

We have held that in appropriate circumstances, we possess jurisdiction to reopen uncontested assessments that have become final Commission orders under section 105(a). *Jim Walter Res., Inc.*, 15 FMSHRC 782, 786-89 (May 1993) ("*JWR*"). In evaluating requests to reopen final section 105(a) orders, the Commission has found guidance in Rule 60(b) of the Federal Rules of Civil Procedure under which, for example, a party could be entitled to relief from a final order of the Commission on the basis of inadvertence or mistake. *See* 29 C.F.R. § 2700.1(b) ("the Commission and its Judges shall be guided so far as practicable by the Federal Rules of Civil Procedure"); *JWR*, 15 FMSHRC at 787. We have also observed that default is a harsh remedy and that, if the defaulting party can make a showing of good cause for a failure to timely respond, the case may be reopened and appropriate proceedings on the merits permitted. *See Coal Prep. Servs., Inc.*, 17 FMSHRC 1529, 1530 (Sept. 1995).

Having reviewed Hanson's motion, in the interests of justice, we remand this matter to the Chief Administrative Law Judge for a determination of whether good cause exists for Hanson's failure to timely contest the penalty proposal and whether relief from the final order should be granted. If it is determined that such relief is appropriate, this case shall proceed pursuant to the Mine Act and the Commission's Procedural Rules, 29 C.F.R. Part 2700.

Michael F. Duffy, Chairman
Mary Lu Jordan, Commissioner
iviary Lu Jordan, Commissioner
Stanley C. Suboleski, Commissioner

Distribution

Scott Hartness, CMSP Hanson Aggregates Southeast, Inc. 3131 RDU Center Drive, Suite 220 Morrisville, NC 27560

W. Christian Schumann, Esq. Office of the Solicitor U.S. Department of Labor 1100 Wilson Blvd., 22nd Floor West Arlington, VA 22209-2247

Chief Administrative Law Judge Robert J. Lesnick Federal Mine Safety & Health Review Commission 601 New Jersey Avenue, N.W., Suite 9500 Washington, D.C. 20001-2021